

School Business Alert

September 7, 2010

IMPORTANT!! Be sure to print the certification screen and the reports from the CAR after you certify for your district's records and for use by the auditors. From October 5 to 20, districts will not have access to the CAR due to a "black- out" of applications during the high usage period for completing the PEACE application.

CAR Issues – The following two items are CAR edits that are not working as intended and what the district should do in the current year to clear these edits. Because districts are currently uploading in the 2010 CAR Upload and Reports application, we didn't want to make changes to the edits and interfere with the upload process. We checked with some districts that participate as CAR/SES Advisory committee members and they agreed on this approach.

1. **Federal Project Reconciliation:** The Federal project reconciliation edit is not working as intended when a district reported a FY09 and/or FY10 Federal deferred revenue that represents a receivable not received timely. The error message the districts receive is using the variables correctly, but the calculated formula is not the same as the error message formula so districts may receive the following error message when it does calculate to 0.

(4-10d) For project 4026 revenues of \$16252 minus deferred revenue (prior year receivables not received) (Account 481) of \$0 minus expenditures \$40630 plus DE Adjustments of \$0 plus current year deferred revenue (receivables not received) (Account 481) of \$24378 does not equal 0.

Contact Denise.Ragias@iowa.gov or Janice.Evans@iowa.gov to request a DE adjustment if you receive this error message and shouldn't. We apologize for any inconvenience this may cause and have included a note to correct this for FY11.

2. **Fund 09, Accounts 303 and 304:** Districts are to record the amount available to service long-term bonds, loans, and capital leases in account 303 and the amount not available in account 304. Districts may receive an error message that looks like the following where the amount available is greater than or equal to the Debt Service Fund balance. However, this edit is not working as intended and the amount reported in account 303 needs to equal the Debt Service Fund balance.

(4-2b) The amount reported in Fund 09, Account 303 of \$311470.25 as available should be greater than or equal to the fund balance available in the Debt Service Fund of \$309507.94, up to the amount of outstanding bonds, loans, and capital leases of \$9150011.25.

ARRA Title I – Districts have asked questions on how to record the Title I ARRA funds that were received in August. It depends on the District's situation, so following are the possibilities.

- The portion the district expended in FY10 would be recorded as follows:
 - Debit Intergovernmental accounts receivable other than state aid (Account 141, Project 4026, program 430)
 - Credit Title I Basic LEA Grants Stabilization revenue (source/project 4026, program 430)
- The portion the district did not expend will NOT be reported on the FY10 CAR. It should be reported on the FY11 CAR as FY11 revenue or deferred revenue, as appropriate, depending on whether or not it was expended in FY11.